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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEVADA

UNITED STATES OF AMERICA,
Plaintiff,

WALKER RIVER PAIUTE TRIBE,
Plaintiff-Intervenor,

vs.

WALKER RIVER IRRIGATION DISTRICT,
a corporation, et al.,
Defendants.

WALKER RIVER PAIUTE TRIBE,
Counterclaimant,

vs.

WALKER RIVER IRRIGATION DISTRICT,
et al.,
Counterdefendants.

IN EQUITY NO. C-125
SUBFILE NO. C-125-B

WALKER RIVER IRRIGATION
DISTRICT'S MOTIONS TO
DISMISS COUNTERCLAIMS;
TO REQUIRE JOINDER OF
PARTIES; AND TO REQUIRE
SERVICE OF PROCESS IN
ACCORDANCE WITH RULE 4
OF THE FEDERAL RULES OF
CIVIL PROCEDURE

Pursuant to Rules 13, 19, 25 and 4 of the Federal Rules of
Civil Procedure, the Walker River Irrigation District moves the
Court for the following orders:

1. An order dismissing without prejudice the "Counterclaim"
of the Walker River Paiute Tribe (the "Tribe") filed herein on

1 March 17, 1992 and any "counterclaim" filed by the United States
2 of America pursuant to its motion dated July 22, 1992. This
3 motion is based upon the ground that the "Counterclaims" are not
4 stated against an "opposing party" as required by Rule 13(a) or
5 (b) of the Federal Rules and are amendments or supplements to the
6 original complaint filed herein on July 3, 1924, which amendments
7 or supplements cannot be filed without seeking and obtaining prior
8 court approval under Rule 15 of the Federal Rules.

9 2. An order requiring joinder and/or substitution of all
10 persons or entities claiming a right to use water from the Walker
11 River or its tributaries in Nevada and California, whether such
12 claims are based upon the Walker River Decree or on subsequent
13 appropriations. This motion is based upon the ground that in the
14 absence of such joinder and/or substitution complete relief cannot
15 be accorded among those already parties; and the interest of such
16 claimants is such that their absence may as a practical matter
17 impair or impede their ability to protect that interest and will
18 leave persons already parties subject to a substantial risk of
19 incurring double, multiple or otherwise inconsistent obligations.

20 3. An order requiring that all persons or entities to be
21 joined or substituted as parties be served in accordance with the
22 requirements of Rule 4 of the Federal Rules. This motion is based
23 upon the ground that parties joined pursuant to Rule 19 of the
24 Federal Rules or substituted pursuant to Rule 25 of the Federal
25 Rules are required to be served in accordance with the
26 requirements of Rule 4 of the Federal Rules.

1 These motions are made and based upon all of the pleadings
2 and papers on file in this matter, including those on file in
3 Equity No. C-125, and subfile no. C-125A and C-125B and the points
4 and authorities attached hereto.

5 DATED this 3rd day of August, 1992.

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CERTIFICATE OF SERVICE BY MAIL

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10 **IN THE UNITED STATES DISTRICT COURT**
11 **FOR THE DISTRICT OF NEVADA**

12 UNITED STATES OF AMERICA,

13 Plaintiff,

14 WALKER RIVER PAIUTE TRIBE,

15 Plaintiff-Intervenor,

16 vs.

17 WALKER RIVER IRRIGATION DISTRICT,
18 a corporation, et al.,

19 Defendants.

20 WALKER RIVER PAIUTE TRIBE,

21 Counterclaimant,

22 vs.

23 WALKER RIVER IRRIGATION DISTRICT,
24 et al.,

25 Counterdefendants.

IN EQUITY NO. C-125-B
SUBFILE NO. C-125-B

WALKER RIVER IRRIGATION
DISTRICT'S POINTS AND
AUTHORITIES IN SUPPORT
OF MOTIONS TO DISMISS
COUNTERCLAIMS; TO REQUIRE
JOINDER OF PARTIES; AND
TO REQUIRE SERVICE OF
PROCESS IN ACCORDANCE
WITH RULE 4 OF THE
FEDERAL RULES OF CIVIL
PROCEDURE

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1 **I. PREFACE**

2 This subproceeding involves claims asserted by the Walker
3 River Paiute Tribe (the "Tribe") in a pleading filed March 17,
4 1992 and designated as a "Counterclaim". Pursuant to this Court's
5 orders of May 18, and June 17, 1992, the United States of America
6 ("United States") was given until July 24, 1992 in which to state
7 its position with respect to the Tribe's Counterclaim. On or
8 about July 22, 1992, the United States filed its Motion for Leave
9 to File Counterclaim. The counterclaim which it proposes to file
10 is virtually identical in substance and purpose to the Tribe's
11 Counterclaim. The Tribe's Counterclaim and the proposed
12 counterclaim of the United States are referred to herein as the
13 "Counterclaims."

14 The May 18, 1992 order set a filing deadline of August 1,
15 1992 for preliminary threshold motions relating to issues of
16 whether additional parties are required.¹ Additional threshold
17 motions are to be filed within sixty (60) days after final
18 disposition of the preliminary threshold motions, unless the
19 schedule is otherwise adjusted by the Court.

20 The Walker River Irrigation District (the "Irrigation
21 District") has filed preliminary threshold motions to dismiss the
22 Counterclaims; to require joinder of parties; and to require
23 service of process in accordance with Rule 4 of the Federal Rules
24
25

26 ¹ Because August 1, 1992 was a Saturday, pursuant to Rule
27 6 of the Federal Rules of Civil Procedure, the preliminary
28 threshold motions were due on Monday, August 3, 1992.

1 of Civil Procedure.² Because the merits of the "Counterclaims"
 2 may in part turn on whether the claims asserted therein are viewed
 3 as a new action, an amendment or supplement to the original action
 4 or something else, it is important that consideration be given as
 5 a threshold matter to whether they are properly asserted as a
 6 "counterclaim." Moreover, by placing those claims in their proper
 7 procedural context one is better able to understand the issues
 8 related to joinder, substitution and service of process.

9 II. STATEMENT OF FACTS

10 A. Background.

11 1. Early Attempts to Determine Claims to the Waters 12 of the Walker River - Miller & Lux v. Rickey; Pacific Livestock v. Rickey.

13 The history of litigation involving claims to the waters
 14 of the Walker River and its tributaries illustrates the need for
 15 careful consideration of the issues presented by the Irrigation
 16 District's motions. On June 10, 1902, Miller & Lux brought an
 17 action in the United States District Court for the District of
 18 Nevada against Rickey and others to enjoin interference with its
 19 use of water of the Walker River in Nevada. On October 15, 1904,
 20 Rickey Land & Cattle Co. began two actions in a California state
 21 court against Miller & Lux to quiet its title and to establish its
 22 prior right to waters on the East and West Forks of the Walker
 23 River. See, Rickey Land & Cattle Company v. Miller & Lux, 218
 24 U.S. 258 (1910); see also, Miller & Lux v. Rickey, 127 F. 573
 25 (D.Nev. 1904); Miller & Lux v. Rickey, 146 F. 574 (D.Nev. 1906);

26 ² By separate filing the Irrigation District has opposed
 27 the United States' motion for leave to file counterclaim on the
 28 same grounds that it seeks dismissal of the Counterclaims.

1 Rickey Land & Cattle Co. v. Miller & Lux, 152 F. 11 (9th Cir.
2 1907).

3 In 1906, Miller & Lux and other defendants sought to
4 enjoin the proceedings in the California actions on the grounds
5 that the United States District Court for the District of Nevada
6 had acquired prior jurisdiction. The Supreme Court of the United
7 States agreed and prosecution of the California actions was
8 enjoined. Rickey, 218 U.S. 258. Ultimately, a final decree (the
9 "Rickey Decree") was entered by the United States District Court
10 for the District of Nevada in 1919. See, Pacific Livestock
11 Company v. Thomas Rickey, et al., No. 731, Final Decree (D.Nev.
12 1919).

13 **2. The Walker River Decree - United States of America**
14 **v. Walker River Irrigation District et al.**

15 The United States, the Tribe and many other claimants to
16 the waters of the Walker River had not been joined as parties in
17 the Rickey litigation. Their rights were not determined by the
18 Rickey Decree.

19 On July 3, 1924, the United States commenced United
20 States of America v. Walker River Irrigation District, et al., in
21 the United States District Court for the District of Nevada, In
22 Equity No. C-125. An amended complaint was filed on March 19,
23 1926. Some 253 defendants, all appropriators and users of waters
24 of the Walker River, East Walker River, West Walker River and the
25 tributaries thereof were named as defendants. See, United States
26 v. Walker River Irrigation District, et al., 11 F.Supp. 158, 159
27 (D.Nev. 1935). The complaint included persons and entities who
28 had been parties to or were successors to parties to the Rickey

1 litigation. It also included persons who had not been parties to
2 the Rickey litigation although they clearly had established rights
3 to waters of the Walker River prior to the commencement of the
4 Rickey litigation. Finally, the complaint included persons who
5 had acquired rights to the waters of the Walker River after
6 commencement of the Rickey litigation. See, Walker River Decree
7 at 10-50; 50-63A; and 63A-70.

8 The United States alleged that because of its ownership
9 of the Walker River Indian Reservation, which had been reserved
10 and set aside for the Walker River Paiute Tribe, it was the owner
11 of 150 cubic feet per second of waters of the Walker River and its
12 tributaries. It sought to quiet title thereto and to restrain
13 defendants from interfering with that alleged right. 11 F.Supp.
14 at 159. Issues raised by the pleadings were referred to a special
15 master who took testimony intermittently from March 22, 1928
16 through December 30, 1932. Commencing May 22, 1933, hearings were
17 held before the court on exceptions to the report and findings of
18 the special master. 11 F.Supp. at 162.

19 The United States relied upon the ruling of the Supreme
20 Court in Winters v. the United States, 207 U.S. 564 (1908). The
21 trial court ruled that the United States' claims to water for the
22 Walker River Indian Reservation had to be adjudged, measured and
23 administered in accordance with the laws of appropriation as
24 established by the State of Nevada. 11 F.Supp. at 167; see also,
25 United States v. Walker River Irrigation District, 14 F.Supp. 11
26 (D.Nev. 1936).

1 On June 6, 1935, the Walker River Decree was entered in
2 this action and an appeal followed to the Ninth Circuit Court of
3 Appeals. That court held that the rule of law established in
4 Winters v. United States applied and that there had been an
5 implied reservation of water at the time the Reservation was set
6 aside. The Court of Appeals accepted the original report of the
7 special master with respect to the quantity of water reserved.
8 See, United States v. Walker River Irrigation District, 104 F.2d
9 334, 339-40 (9th Cir. 1939). The Walker River Decree was amended
10 to conform to the mandate of the Court of Appeals on April 24,
11 1940.

12 **B. Intervention by Tribe.**

13 On or about September 30, 1987, the Tribe sought
14 permission to intervene in this action in connection with the then
15 pending petition to establish rules and regulations concerning
16 change applications under the Walker River Decree. By Order
17 entered March 2, 1988, the Tribe was granted permission to
18 intervene as a matter of right. Because its intervention was
19 based upon the water right which the United States had established
20 for the benefit of its Reservation under the Walker River Decree,
21 the Tribe has been recognized as a "plaintiff-intervenor."

22 **C. The Petition of the Walker River Irrigation District.**

23 On January 9, 1991, the Irrigation District filed its
24 Petition for Declaratory and Injunctive Relief; Request for Order
25 to Show Cause; or in the Alternative to Change the Point of
26 Diversion against the California State Water Resources Control
27 Board and its members. That Petition is subfile No. C-125-A. A

1 First Amended Petition was filed and a scheduling and planning
2 conference was held on January 3 1992. At that scheduling and
3 planning conference, all proceedings on the alternate claim for
4 relief were stayed.

5 The only named respondents to the First Amended Petition
6 are the California State Water Resources Control Board and its
7 individual members. The Irrigation District's first claim for
8 relief involves three orders issued by the California State Water
9 Resources Control Board with respect to water rights licenses for
10 Bridgeport and Topaz Reservoirs. The Irrigation District contends
11 that those orders are contrary to and inconsistent with the Walker
12 River Decree and seeks a declaration from the Court to that
13 effect. It also seeks a declaration that the respondents lack the
14 power to enter and enforce orders which are contrary to and
15 inconsistent with the Walker River Decree and which interfere with
16 the jurisdiction of this Court. The Irrigation District seeks an
17 injunction permanently enjoining the Board and its members from
18 enforcing those portions of the orders which the Court finds
19 inconsistent with and contrary to the Walker River Decree or
20 interfere with the jurisdiction of the Court.

21 The First Amended Petition seeks no relief and states no
22 claim against anyone other than the California State Water
23 Resources Control Board and its members. It seeks no relief
24 against the Tribe or the United States. It specifically seeks to
25 enforce the Walker River Decree, which recognizes the existing
26 right of the United States and Tribe.

D. The Counterclaims.

The Tribe served an answer, counterclaim and cross-claim in response to the Irrigation District First Amended Petition. The United States has filed a motion for leave to file counterclaim. The Counterclaims seek recognition of a right to store water in Weber Reservoir for use on lands of the Walker River Indian Reservation and of a federal reserved water right to use water on lands added to the Reservation in 1936. These claimed rights are alleged to be in addition to the right awarded to the United States for the benefit of the Reservation by the Walker River Decree. All water users on the Walker River and its tributaries are alleged to be counterdefendants, although they have not been individually named, identified or served.

E. The Relationship of the United States and the Tribe and Other Parties With Respect to These Proceedings.

In the original Walker River action and under the Walker River Decree, the United States and the Tribe are plaintiffs and the other named parties are defendants. With respect to the Irrigation District's First Amended Petition, the United States and the Tribe simply have one of many established water rights recognized by the Walker River Decree and thus have an interest in the enforcement of and non-interference with that Decree. Neither the Irrigation District nor any other person participating in the proceedings on the Irrigation District's First Amended Petition have attempted to state a claim against the Tribe or the United States. The only claim stated is that of the Irrigation District against the California State Water Resources Control Board and its individual members.

1 **III. THE COUNTERCLAIMS SHOULD BE DISMISSED WITHOUT PREJUDICE**

2 **A. The Counterclaims Should be Dismissed Because With**
 3 **Respect to the Irrigation District's First Amended**
 4 **Petition Neither the Irrigation District Nor Any of the**
 5 **Unnamed Claimants to Water Rights on the Walker River**
 6 **and Its Tributaries are Opposing Parties to the Tribe**
 7 **and the United States.**

8 It is clear that the Counterclaims are submitted in
 9 response to the First Amended Petition. Equally clear is the fact
 10 that had the First Amended Petition not been filed the United
 11 States and the Tribe could not have asserted their claim for
 12 additional water as a counterclaim.

13 Rule 13 of the Federal Rules of Civil Procedure only
 14 permits counterclaims to be asserted against "opposing parties".
 15 See, 3 J. Moore, J. Lucas, Moore's Federal Practice, ¶13.06(1) at
 16 13-27, (2d ed. 1992); 6 C. Wright, A. Miller, M. Kane, Federal
 17 Practice and Procedure, § 1404 at 18 (1990). A counterclaim which
 18 is not against an opposing party must be dismissed. Under Rule 13
 19 an "opposing party" is one who asserts a claim against the
 20 prospective counterclaimant in the first instance. The very
 21 concept of a counterclaim, presupposes the existence or assertion
 22 of a claim against the party filing it. See, e.g., First National
 23 Bank in Dodge City v. Johnson County National Bank and Trust Co.,
 24 331 F.2d 325, 327-28 (10th Cir. 1964);³ Hilltop-West Liberty
 25 Lumber Co. v. Aetna Casualty & Surety Co., 208 F.Supp. 108
 26 (W.D.Pa. 1962); United States v. Timber Access Industries Co., 54

27 ³ In Liberty Nat. Bank & Tr. Co. v. Acme Tool, 540 F.2d
 28 1375 (10th Cir. 1976), the Tenth Circuit overruled First National
 29 Bank v. Johnson County National Bank and Trust Co., to the extent
 30 that it could be read to prohibit absolutely the interposing of a
 31 counterclaim in an interpleader action. 540 F.2d at 1381. It did
 32 not however, change the basic definition of an "opposing party".

1 F.R.D. 36, 39-40 (D.Or. 1971); Frederick County Fruitgrowers
 2 Association Inc. v. Dole, 709 F.Supp. 242, 245-46 (D.D.C. 1989).

3 In Kearney v. Ahearn, 210 F.Supp. 10 (S.D.N.Y. 1961),
 4 the original plaintiff in an action sought permission to file a
 5 "counterclaim" against the original defendant. Denying that
 6 permission, the court concluded that because the defendant had not
 7 sought affirmative relief against the plaintiff a counterclaim
 8 could not be asserted. In order to have a counterclaim there must
 9 be a claim against the party asserting the counterclaim. 210
 10 F.Supp. at 20.

11 An important factor in determining whether persons are
 12 "opposing parties" is whether the person against whom the
 13 counterclaim is asserted is actually a party to the litigation.
 14 If that person is not a party to the litigation, a claim asserted
 15 against him is not within the scope of Rule 13. See, Chemetron
 16 Corp. v. Cervantes, 92 F.R.D. 26, 28 (D.PR. 1981); Cincinnati
 17 Millacron Industries, Inc. v. Aqua Dyne Inc., 592 F.Supp. 1113,
 18 1115 (S.D. Oh. 1984). Moreover, the provisions of Rule 13(h)
 19 which allow for joinder of additional parties to a counterclaim
 20 may not be invoked unless a valid counterclaim has been asserted
 21 in the first instance. See, Hilltop-West Liberty Lumber Co., 208
 22 F.Supp. at 110.

23 In the context of the Irrigation District's First
 24 Amended Petition against the California defendants, the Tribe and
 25 the United States and the Irrigation District are not opposing
 26 parties. The Irrigation District has not asserted any claim
 27 against the Tribe and the United States in the first instance.

1 Because Rule 13 presupposes the existence or assertion of a claim
2 against the party filing it, the Counterclaims are not within the
3 purview of Rule 13 and should be dismissed.

4 The Counterclaims should be dismissed as to other
5 claimants to the waters of the Walker River for two reasons.
6 First, those claimants have not filed a claim against anyone,
7 including the Tribe and the United States. Second, as is
8 discussed in greater detail below, many of those claimants are not
9 actually parties to the main action and this subproceeding and
10 therefore a counterclaim may not be asserted against them.
11 Finally, because there is no valid assertion of a counterclaim
12 against the Irrigation District, these nonparties cannot be joined
13 under the provisions of Rule 13(h).

14 **B. The Counterclaims Should be Dismissed Because in Reality**
15 **They are Either an Amended or Supplemental Complaint**
16 **Filed Without the Prior Court Permission Required by**
17 **Rule 15 of the Federal Rules.**

18 This action was originally brought by the United States
19 to quiet title to a water right from the Walker River and its
20 tributaries which it claimed as a result of the creation of the
21 Walker River Indian Reservation. See, Statement of Facts, supra.
22 at 3 - 5. The claims which the Tribe and the United States seek
23 to assert in their "counterclaims" are claims for additional water
24 from the Walker River and its tributaries for the benefit of the
25 Indian Reservation. Although at this early stage it is not
26 entirely clear, it may be that the bases for both of these claims
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1 arose after the filing of the original complaint in 1924.⁴ In any
 2 event, it is apparent that the Tribe and the United States are
 3 effectively seeking to amend and/or supplement the original
 4 complaint in this action. They are not seeking to state
 5 counterclaims arising out of the Irrigation District's First
 6 Amended Petition against the California respondents.

7 Under Rule 15, the Tribe and the United States may not
 8 file an amended complaint in this action except upon leave of
 9 court or by written consent to the adverse parties. Similarly,
 10 they may not file a supplemental complaint setting forth
 11 transactions or occurrences or events which have happened since
 12 the date of the pleading sought to be supplemented without Court
 13 permission. See, Fed.R.Civ.P., Rule 15(a); Rule 15(d).

14 The United States and the Tribe cannot be permitted to
 15 circumvent the serious issues which will arise under a Rule 15
 16 motion to amend or supplement the original complaint in this
 17 action by the simple device of designating their pleading as a
 18 "counterclaim." Serious questions arise where a Rule 15 motion is
 19 made 68 years after an action began, 56 years after entry of a
 20 final judgment, 53 years after an appeal from that judgment, 52
 21 years after the judgment was amended, 56 years after all facts
 22 required to sustain the claim had to have been known and after
 23 trial court proceedings lasting nearly 12 years and an appeal
 24 lasting three years. See, e.g., United States of America,

25
 26 ⁴ At this time it is not clear that the United States
 27 could not have asserted these new claims before the Walker River
 28 Decree was entered in 1936 and amended in 1940. Those issues
 remain to be considered in another context.

1 Plaintiff and Pyramid Lake Paiute Tribe of Indians, Plaintiff-
 2 Intervenor vs. Truckee-Carson Irrigation Dist., et al.,
 3 Defendants, in the United States District Court for the District
 4 of Nevada, CV. No. R-2987-RCB, Opinion of Belloni, J. (Sept. 18,
 5 1985) and cases cited therein. Because those issues have not been
 6 confronted and court permission under Rule 15 has not been sought
 7 or obtained, the Counterclaims should be dismissed.

8 **IV. WHETHER THE CLAIMS PROCEED AS A COUNTERCLAIM, A SEPARATE**
 9 **ACTION, OR AS A SUPPLEMENT OR AMENDMENT TO THE ORIGINAL**
 10 **COMPLAINT FILED BY THE UNITED STATES IN 1924, THE COURT MUST**
 11 **REQUIRE THAT ALL CLAIMANTS TO THE WATERS OF THE WALKER RIVER**
 12 **AND ITS TRIBUTARIES BE JOINED AS PARTIES.**

13 **A. Introduction.**

14 The Tribe and the United States seek to establish two
 15 new rights to water from the Walker River which are not recognized
 16 by the Walker River Decree. One is a right to store water in
 17 Weber Reservoir and the other is a right to water for lands
 18 allegedly added the Reservation in 1936. As this Court well
 19 knows, water rights on a stream system like that of the Walker
 20 River are interdependent with respect to all water rights and all
 21 water users. See, e.g., California v. United States, 235 F.2d
 22 647, 663-664 (9th Cir. 1956); United States v. Dist. Ct., 401 U.S.
 23 520, 525-526 (1971).

24 The United States and the Tribe recognize that fact in
 25 asserting that their claim is against all users of water on the
 26 Walker River system. The previous history of proceedings
 27 concerning claims to the waters of the Walker River highlight the
 28 need to carefully include as parties all existing claimants to
 those waters. See, Statement of Facts, supra. at 2 - 3.

1 Except for the United States and the Irrigation
 2 District, existing claimants to the waters of the Walker River
 3 include two groups. The first group consists of transferees from
 4 the original parties to this action. As is discussed below
 5 transferees from original parties either must be substituted in
 6 accordance with the requirements of Rule 25 or joined in
 7 accordance with the requirements of Rule 19. The second group
 8 consists of claimants who have established water rights under
 9 California or Nevada law after the date of the Walker River
 10 Decree.

11 **B. Transferee's from the Original Parties to this Action**
 12 **Must be Substituted as Parties in Accordance with the**
 13 **Requirements of Rule 25 or Joined as Parties in**
 14 **Accordance with the Provisions of Rule 19.**

15 Although Rule 25(c) allows an action to be continued
 16 against an original party after that party's interest has been
 17 transferred and although transferees from original parties to this
 18 action are bound by the Walker River Decree, substitution or
 19 joinder of transferees should be required with respect to the new
 20 claims which the Tribe and the United States propose to assert
 21 here. First, it is apparent that most, if not all, of the
 22 original individual defendants named in 1924 and 1926 are dead.
 23 Rule 25(a) requires that successors to deceased parties either be
 24 substituted or that the action be dismissed as to the dead party.
 25 Here, in the typical situation absent substitution there is no one
 26 to represent the interests of the transferees.

27 Second, here the Tribe and the United States propose to
 28 assert new claims. Their claims are not merely a continuation of
 the claim asserted against the original defendants in 1924. In

1 this situation the transfer of interest effectively occurred prior
 2 to the commencement of the action. In such a case the provisions
 3 of Rule 25(c) do not apply. See, Hilbrands v. Far East Trading
 4 Company, Inc., 509 F.2d 1321, 1323 (9th Cir. 1975). With respect
 5 to possible defendants who acquire an interest before an action is
 6 commenced the provisions of Rule 19 governing joinder apply rather
 7 than the provisions of Rule 25. Travelers Indem. Co. v. Dingwell,
 8 884 F.2d 629, 634 (1st Cir. 1989), As is discussed below, here
 9 Rule 19 requires joinder of all claimants to the waters of the
 10 Walker River.

11 Even if Rule 25(c) applies here, the Court should
 12 exercise its discretion to require substitution of all transferees
 13 of water rights adjudicated by the Walker River Decree. Where an
 14 absent defendant could have a burden of liability as a result of
 15 the transfer of interest or where a multiplicity of lawsuits may
 16 be avoided if absent defendants are substituted, the court should
 17 order substitution. See, e.g., Wainwright v. Kraftco Corp., 58
 18 F.R.D. 9, 14 (N.D.Ga. 1973). Substitution is appropriate where
 19 the transferor has for all practical purposes ceased to exist.
 20 See, First American Savings Bank v. Westside Federal Savings and
 21 Loan Association, 639 F.Supp. 93, 95-96 (D.Wa. 1986).

22 Here, it is clear that if absent transferees are not
 23 substituted, there will be a multiplicity of lawsuits. See,
 24 section IV, C infra. at 14-16. It is also clear that most
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 26
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1 transferors have "ceased to exist". Therefore, substitution
2 should be required.⁵

3 **C. All Existing Claimants to Waters of the Walker River**
4 **Must Be Joined Because in Their Absence Complete Relief**
5 **Cannot Be Accorded Among Those Already Parties.**

6 Rule 19(a)(1) requires joinder of a person if "in the
7 his absence complete relief cannot be accorded among those already
8 parties."⁶ Fed.R.Civ.Proc., Rule 19(a)(1). This part of Rule 19
9 requires the presence of all persons who have an interest in the
10 litigation so that any relief granted will provide effective and
11 complete relief and repeated litigation involving essentially the
12 same subject matter will be avoided. See, Northrop Corp. v.
13 McDonnell Douglas Corp., 705 F.2d 1030, 1043 (9th Cir. 1983); 7 C.
14 Wright, A. Miller, M. Kane, Federal Practice and Procedure, §1604
15 at 42-46 (1986).

16
17 ⁵ Notice of substitution may be served in any judicial
18 district. Ransom v. Brennan, 437 F.2d 513, 519 (5th Cir.) cert.
den. 403 U.S. 904 (1971).

19 ⁶ If a person is subject to service of process and the his
20 joinder will not deprive the court of subject matter jurisdiction,
21 Rule 19(a) requires his joinder if the requirements of Rule
22 19(a)(1) or (a)(2) are satisfied. If joinder is not feasible
23 because the person is not subject to service of process or because
24 joinder will result in a loss of subject matter jurisdiction, the
25 court must then consider the factors set out in Rule 19(b) to
26 determine whether the action should proceed or be dismissed. All
27 claimants to the waters of the Walker River can be joined here.
28 First, subject matter jurisdiction will not be lost by their
joinder. Second, most claimants reside in the State of Nevada or
have sufficient contacts with Nevada to be subject to service
under Nevada's long arm statute. Third, claimants who reside in
California can nevertheless be served with process under the
"bulge" service provisions of Rule 4(f). See, Fed.R.Civ.Proc.
Rule 4(f); 2 J. Moore, J. Lucas, Moore's Federal Practice, ¶4.42
[2.-3] at 4-396 - 4-398 (2d ed. 1992); Sprow v. Hartford Ins. Co.,
594 F.2d 412, 416-417 (5th Cir. 1979).

Here, if the claims of the Tribe and the United States proceed to judgment in the absence of joinder of all claimants to waters of the Walker River and its tributaries, the unjoined claimants will not be bound by the judgment. A judgment involving less than all of the claimants to waters of a stream system will not provide effective and complete relief and will almost certainly lead to multiple litigation.⁷ The Rickey litigation here is an excellent example. Thus, Rule 19(a)(1) requires joinder of claimants to the waters of the Walker River.

D. All Existing Claimants to the Waters of the Walker River Must be Joined Because They Claim an Interest in the Subject Matter of the Action and are so Situated that its Disposition in their Absence May as a Practical Matter Impair or Impede their Ability to Protect that Interest.

Rule 19(a)(2)(i) requires joinder of a person who claims an interest in the subject matter of the action, if disposition of the action in his absence may prejudice his ability to protect that interest. Fed.R.Civ.Proc., Rule 19(a)(2)(i); see also, 7 C. Wright, A. Miller, M. Kane, Federal Practice and Procedure, §1604 at 49 (1986). Where the relationship between a party and a non-party is sufficiently close that the latter might arguably be collaterally estopped from relitigating issues decided against the party, the non-party must be joined under this provision of Rule 19. See, Takeda v. Northwestern Nat. Life Ins. Co., 765 F.2d 815, 819-821 (9th Cir. 1985).

⁷ Although the decision in California v. United States, 235 F.2d 647 (9th Cir. 1956) was not based upon Rule 19 principles, it recognizes that when rights on a stream are adjudicated "all owners of lands on the watershed and all appropriators who use water from the stream" should be "in court at the same time." 235 F.2d at 663.

Here, it may be argued that the interests of all non-party claimants to the waters of the Walker River are sufficiently close to those of existing parties so that issue preclusion would prevent them from relitigating issues decided against those parties in subsequent litigation between the non-parties and the United States and the Tribe. This court need not determine how issue preclusion may operate in future litigation because Rule 19 speaks to possible, not certain, harm. *Id.* at 821. Therefore, non-party claimants to the waters of the Walker River must be joined under Rule 19(a)(2)(i).

E. All Existing Claimants to the Waters of the Walker River Must Be Joined Because the Disposition of the Action Will Leave Those Already Parties Subject to a Substantial Risk of Incurring Double, Multiple or Otherwise Inconsistent Obligations By Reason of Their Claimed Interest.

Rule 19(a)(2)(ii) requires joinder of a person who claims an interest in the subject matter of an action, if disposition of the action in that person's absence may prejudice those already parties. Fed.R.Civ.Proc., Rule 19 (a)(2)(ii); see also, 7 C. Wright, A. Miller, M. Kane, Federal Practice and Procedure, §1604 at 49 (1986). Rule 19(a)(2)(ii) limits the power of plaintiffs to determine who shall be parties to lawsuits they institute. It is intended to protect the interests of the named defendants and of the orderly and expeditious administration of justice. See, U-Haul Intern, Inc. v. Jartran, Inc., 793 F.2d 1034, 1039 (9th Cir. 1986). Where an absent defendant may not be bound by the judgment rendered by the court, the interests of the present defendant and society in general are not protected because of the possibility of multiple litigation.

Here, absent claimants to the waters of the Walker River will not be bound by the judgment of the court on the new claims of the Tribe and the United States. This may expose the Irrigation District to potential inconsistent obligations with respect to the relationship among its rights, those of absent defendants and the new claims of the Tribe and the United States. Because additional controversies are almost certain to arise, the interest of the orderly and expeditious administration of justice is not served. Therefore, non-party claimants to the waters of the Walker River must be joined under Rule 19(a)(2)(ii).

V. ALL PERSONS OR ENTITIES TO BE NAMED AS PARTIES IN A NEW ACTION OR JOINED OR SUBSTITUTED ON THE COUNTERCLAIMS MUST BE SERVED IN ACCORDANCE WITH RULE 4.

If the Tribe and the United States choose to assert the new claims by the filing of a separate action, all named defendants must be served with process in accordance with the requirements of Rule 4. It is basic that before a court can entertain a case a defendant must be properly before it and no defendant can be brought properly before a court unless there has been a proper service of process on the defendant. North Alleghany J. School System v. Secretary of Health, 196 F.Supp. 144 (W.D. Pa. 1961).

The provision in Rule 19(a) that the persons described be ordered joined "if subject to service of process" is a reference to service under Rule 4. See, 3A J. Moore, J. Lucas, Moore's Federal Practice, ¶ 19.01 [5.-7] at 19-38 - 19-39 (2d ed. 1992). Thus, where parties are joined pursuant to Rule 19, service of process requirements under Rule 4 must be met. See, Lamar v. America Basketball Association, 468 F.Supp. 1198 (S.D.N.Y. 1979).

1 To the extent that the court determines that consideration
2 must be given to substituting transferees from original defendants
3 in this action, those persons are entitled to be served with
4 notice of the proposed substitution "in the manner provided in
5 Rule 4." See, Fed.R.Civ.Proc. Rule 25(c) and Rule 25(a); 7 C.
6 Wright, A. Miller, M. Kane, Federal Practice and Procedure, §1956
7 at 550-51 (1986); Ransom v. Brennan, 437 F.2d 513, 518 (5th Cir.)
8 cert. den. 403 U.S. 904 (1971).

9 The method of service proposed by the Tribe and the United
10 States consisting of notice by publication and posting notice at
11 various sites is inadequate. It is not consistent with the
12 methods of service set forth in Rule 4(d)(1)-(6). The Tribe and
13 the United States must serve all claimants to waters of the Walker
14 River system who are not presently parties to this action as
15 required by Rule 4.

16 VI. CONCLUSION

17 The Counterclaims must be dismissed without prejudice. They
18 are not against an opposing party and in reality are amendments or
19 supplements to the original complaint filed herein on July 3,
20 1924. Required court approval under Rule 15 has not been sought
21 or obtained.

22 Irrespective of whether the claims alleged by the Tribe and
23 the United States proceed as a separate action, a counterclaim or
24 as a supplement or amendment to the original complaint in this
25 action, all claimants to the waters of the Walker River or its
26 tributaries in Nevada and California must be joined and/or

1 substituted as defendants and they must be served in accordance
2 with the requirements of Rule 4 of the Federal Rules.

3 The Court should grant the Irrigation District's motions.

4 DATED this 3rd day of August, 1992.

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CERTIFICATE OF SERVICE BY MAIL

I certify that I am an employee of Woodburn and Wedge, and that on this date, pursuant to FRCP 5(b), I deposited in the United States mail at Reno, Nevada, a true copy of the foregoing document, addressed to:

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